



11 May 2020

The Commissioners
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Sent to: AEMC by online lodgement

Dear Commissioners

**Prioritising arrangements for system security during market suspension
Response to draft decision
ERC 0305**

Major Energy Users Inc (MEU) is pleased to provide its thoughts on the draft decision to the prioritising arrangements for system security during market suspension rule change proposal.

The MEU was established by very large energy using firms to represent their interests in the energy markets. With regard to all of the energy supplies they need to continue their operations and so supply to their customers, MEU members are vitally interested in four key aspects – the cost of the energy supplies, the reliability of delivery for those supplies, the quality of the delivered supplies and the long-term security for the continuation of those supplies.

Many of the MEU members, being regionally based, are heavily dependent on local staff, suppliers of hardware and services, and have an obligation to represent the views of these local suppliers. With this in mind, the members of the MEU require their views to not only represent the views of large energy users, but also those interests of smaller power and gas users, and even at the residences used by their workforces that live in the regions where the members operate.

It is on this basis the MEU and its regional affiliates have been advocating in the interests of energy consumers for over 20 years and it has a high recognition as providing informed comment on energy issues from a consumer viewpoint with various regulators (ACCC, AEMO, AEMC, AER and regional regulators) and with governments.

In its response to the consultation paper on this proposed rule change, the MEU considered that the issue was not material, that AEMO already provided a sensible

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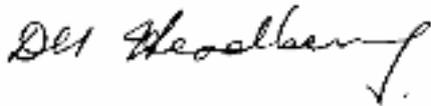
response to prioritisation when market suspension occurred and that no rule change was needed.

The MEU considers that the AEMC, in proposing not to make a rule, recognises that the current rules already provide a clear direction on what is to occur during a market suspension and that attempting to provide more clarity could well have the reverse effect and reduce clarity. The draft decision also reflects the reality that under the current rules provide AEMO already acts sensibly when prioritising its functions in this rare circumstance.

With this in mind, and for the reasons clearly detailed in the draft decision, the MEU fully supports the AEMC draft decision not to make a new rule and to rely on the existing rules.

The MEU is happy to discuss the issues further with you if needed or if you feel that any expansion on the above comments is necessary. If so, please contact the undersigned at DavidHeadberry@bigpond.com or 0417 397 056.

Yours faithfully



David Headberry
Public Officer